CNG outlets have also been set up by some private/multinational companies in Gujarat. CNG will be progressively introduced in other polluted cities with the expansion of the pipeline infrastructure and the increased availability of natural gas, and also subject to economic viability.

(c) At present GAIL have no plans of supplying CNG/Natural Gas to industries in the Bhiwari industrial area becuase a pipeline network is not available in close proximity to this area as also because gas for this purpose is yet to be made available.

New oil pricing policy

2287. SHRI DARA SINGH: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government are aware that petroleum products like petrol, diesel, LPG etc. are being sold to the consumers on the basis of import price, despite the fact that there is huge domestic investment in the refineries in the country;

(b) if so, the names of beneficiaries of such huge domestic investment (refinery-wise);

(c) the reasons for not percolating benefits down to the consumers in the country;

(d) whether Government propose to formulate any new oil pricing to safeguard interest of consumers in the country; and

(e) if so, the details thereof?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) Sensitive petroleum products, including petrol, diesel, domestic LPG and PDS kerosene are not sold to consumers at the import parity price. In April, 2002, with the intention of moving to market-determined pricing for petroleum products, Government announced the dismantling of the Administered Pricing Mechanism (APM). In accordance with that decision, Public Sector Oil Marketing Companies (OMCs) pay petroleum product's prices on an import parity basis to refineries, but full import parity prices are not realized from consumers of sensitive products like petrol, diesel, kerosene and domestic LPG. The difference is subsidized, partly by Government and largely by the oil sector.

(b) There are eighteen (18) refineries in the country including one in the private sector. The details are given in the statement (*See* below).

The setting up of these refineries has led to self-sufficiency in refining capacity and even substantial export capacity in the country.

(c) Do not arise in view of the substantial insulation of the consumers from the full impact of import parity prices of crude oil and petroleum products.

(d) and (e) Since June 2004, recognizing explicitly that international prices of crude oil and petroleum products decisively impact domestic prices, Government elucidated the principles which would govern its policy of containing the burden of increase in international prices on consumers of sensitive petroleum products. It was decided that the burden should be equitably shared by consumers, the Government and oil companies. Accordingly, Government pricing policy attempts to strike the right balance between the interests of the stake-holders, namely, consumers, OMCs and the Government. No new pricing mechanism is under consideration as Government is already doing its utmost to safeguard the interests of consumers.

Statement

Details of refineries

(Location, Year of commissioning and Capacity)

S. No.	REFINERY	LOCATION	YEAR OF COMMISSIONING	CAPACITY (MMT)
1	IOCL	Digboi	1901	0.65
2		Guwahati	1962	1.00
3		Barauni	1964	6.00
4		Koyali	1965	13.70
5		Haldia	1974	6.00
6		Mathura	1982	8.00
7		Panipat	1998	6.00
8	CPCL	Chennai	1969	9.50
9		Narimanam	1993	1.00
10	BRPL	Bongaigon	1979	2.35
11	HPCL	Mumbai	1954	5.50
12		Visakhapatnam	1957	7.50
13	BPCL	Mumbai	1955	6.90
14	KRL	Kochi	1966	7.50
15	NRL	Numaligarh	1999	3.00
16	ONGC	Tatipaka	2001	0.078
17	MRPL	Mangalore	1996	9.69
SUB TOTAL (PSU)				94.37
18	RPL	Jamnagar	1999	33.00
SUB TOTAL (PVT)				33.00
TOTAL REFINING CAPACITY				127.37

MMT: Million Metric Tonnes.